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**SUBSTITUTE SENATE BILL 5916**

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**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** Senate Committee on Water, Energy & Environment (originally sponsored by Senators Schmidt, Esser, Finkbeiner and Benson)

READ FIRST TIME 03/02/05.

1 AN ACT Relating to tax incentives for clean alternative fuel  
2 vehicles; adding new sections to chapter 82.08 RCW; adding new sections  
3 to chapter 82.12 RCW; adding a new section to chapter 82.14 RCW;  
4 creating a new section; providing an effective date; and providing an  
5 expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW  
8 to read as follows:

9 (1) The tax levied by RCW 82.08.020 does not apply to sales of new  
10 passenger cars, light duty trucks, and medium duty passenger vehicles,  
11 which are exclusively powered by a clean alternative fuel.

12 (2) A person taking an exemption under this section must keep  
13 records necessary for the department to verify eligibility under this  
14 section. The exemption is available only when the buyer provides the  
15 seller with an exemption certificate in a form and manner prescribed by  
16 the department. The seller shall retain a copy of the certificate for  
17 the seller's files.

18 (3) As used in this section, "clean alternative fuel" means natural  
19 gas, propane, hydrogen, or electricity, when used as a fuel in a motor

1 vehicle that meets the California motor vehicle emission standards in  
2 Title 13 of the California code of regulations, effective January 1,  
3 2005, and the rules of the Washington state department of ecology.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW  
5 to read as follows:

6 (1) The tax levied by RCW 82.08.020 does not apply to sales of new  
7 passenger cars, light duty trucks, and medium duty passenger vehicles,  
8 which utilize hybrid technology and have a United States environmental  
9 protection agency estimated highway gasoline mileage rating of at least  
10 forty miles per gallon.

11 (2) A person taking an exemption under this section must keep  
12 records necessary for the department to verify eligibility under this  
13 section. The exemption is available only when the buyer provides the  
14 seller with an exemption certificate in a form and manner prescribed by  
15 the department. The seller shall retain a copy of the certificate for  
16 the seller's files.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW  
18 to read as follows:

19 (1) The provisions of this chapter do not apply in respect to the  
20 use of new passenger cars, light duty trucks, and medium duty passenger  
21 vehicles, which are exclusively powered by a clean alternative fuel.

22 (2) "Clean alternative fuel" has the same meaning as provided in  
23 section 1 of this act.

24 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.12 RCW  
25 to read as follows:

26 The provisions of this chapter do not apply in respect to the use  
27 of new passenger cars, light duty trucks, and medium duty passenger  
28 vehicles, which utilize hybrid technology and have a United States  
29 environmental protection agency estimated highway gasoline mileage  
30 rating of at least forty miles per gallon.

31 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.14 RCW  
32 to read as follows:

33 The exemptions in sections 1 through 4 of this act are for the

1 state portion of the sales and use tax and do not extend to any taxes  
2 imposed in this chapter or any other local sales and use taxes.

3 NEW SECTION. **Sec. 6.** This act takes effect July 1, 2008.

4 NEW SECTION. **Sec. 7.** This act expires January 1, 2011.

5 NEW SECTION. **Sec. 8.** If Senate Bill No. 5397 (2005) or House Bill  
6 No. 1397 (2005) is not enacted into law, this act is null and void in  
7 its entirety.

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